



City Auditor FY 2021/22 Audit Plan

City Council Approved August 24, 2021

Recurring Audits/Annual Reports

1. **FY 2020/21 External Financial/Compliance Audit** (contracted) – The City’s Charter requires the City Council to designate a CPA firm to perform an independent audit of the City’s annual financial statements, with the audit reports to be submitted to the Council. The City Auditor’s office administers the external audit firm’s contract and coordinates reports to the Audit Committee and the Council. These audits include the City’s Comprehensive Annual Financial Report; federally-required Single Audit; state-required reports (Annual Expenditure Limitation Report, Highway User Revenue Fund (HURF) compliance); and the Municipal Property Corporation, Scottsdale Preserve Authority and Community Facilities Districts annual financial reports.
2. **Follow-up on Status of Audit Recommendations** – Review, assess and report on the status of management’s corrective actions taken in response to prior audit findings and recommendations. This review, implemented in late 2009, is now required by City Code.
3. **Integrity Line** – Investigate tips that are received related to potential fraud, waste or abuse of City resources and annually report on the results.
4. **E-Verify Compliance** – For selected City contractors, confirm they are using the E-Verify program as required by state and federal law. The City is required by state statute to check contractor compliance.
5. **Selected Information Technology** (contracted) – Using services of a contracted specialist, evaluate a selected information system, operational area or contract. Potential audits include network vulnerability assessment, general controls and/or application controls.
6. **Selected Construction Contract** – This audit will continue the process of auditing selected construction contracts due to the large financial and operational investment they represent for the City. In particular, these audits may focus on the voter-approved Bond projects.

Carryforward Audits from FY 2020/21

7. **Triennial Review of City Auditor's Office** – Performed on a triennial basis as required by City Charter and Code for compliance with professional auditing standards, this quality control review will encompass 2018 – 2020. (Due to the pandemic, the US Government Accountability Office provided an extension for meeting this review requirement.)
8. **Crime Reporting Statistics** – Evaluate controls over and reliability of Police crime statistics reporting.
9. **Coronado Golf Course Lease** – Evaluate contract compliance and effectiveness of contract administration.
10. **Economic Development Programs** – Review performance measures and cost-effectiveness of economic development programs.

11. **SUSD Hohokam Bond Project** – This construction project, primarily funded by a citizen-approved bond, is being audited for the Scottsdale Unified School District. (This audit was added to the FY 2020/21 Audit Plan through a Governing Board- and City Council-approved intergovernmental agreement.)

Additional Audits

1. **Purchasing Card Controls** – Review access and supervisory controls over and use of the City's purchasing cards, including the transition to a new system.
2. **Destination Marketing Contract** – Evaluate contract compliance, effectiveness, and administration of the destination marketing contract.
3. **City Clerk Operations** – Evaluate controls over and effectiveness of City Clerk operations such as official records, minutes and legal notices management and records retention management.
4. **Parks and Recreation Resource Management** – Evaluate departmental operations related to field and pool use.
5. **WestWorld Operations** – Evaluate management controls over and effectiveness of marketing, event contracts, billing, expenses, and other operational aspects.

Contingency Audits

1. **Potential SUSD audit** – Placeholder for potential additional audit intergovernmental agreements.
2. **Victim Services** – Evaluate Victim Services operations such as resources, notifications, referrals, and advocacy assistance provided.
3. **Risk Management Services** – Evaluate controls over and effectiveness of Risk Management operations.

Other Projects

- **Sunset Review** support for the Audit Committee's FY 2021/22 reviews:
 - Building Advisory Board of Appeals (August 2021)
 - Board of Adjustment (August 2021)
 - Environmental Advisory Commission (October 2021)
 - Historic Preservation Commission (January 2022)
 - Human Relations Commission (April 2022)
- **Audit Risk Assessment Model** maintenance
- **Special Requests** during the Audit Plan year